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FEDERATION OF NIGERIA

FIRST PROGRESS REPORT ON THE ECONOMIC PROGRAMME 1955-60

Sessional Paper No. 2 of 1957

NINEPENCE NET

LAGOS: FEDERAL GOVERNMENT PRINTER

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FIRST PROGRESS REPORT ON THE ECONOMIC PROGRAMME 1955-60

INTRODUCTION

This report is intended to record the progress which has been achieved in accomplishing the Economic Programme* up to 31st March, 1957, and to indicate what further progress may be expected by expenditure of the funds which the House of Representatives will be invited to provide during 1957-58. It also shows what major changes it is desired to effect in the programme.

2. The Programme includes many projects of considerable magnitude, some of which involve complicated technical problems, whose solution, and the consequent preparation of specifications, tenders, contract documents and so forth has inevitably taken a considerable time. With the completion of much of this preparatory work a substantial acceleration of expenditure may be expected during 1957-58, particularly in the Highways and Bridges, and Posts and Telegraphs programmes, where several important contracts have recently been allotted.

3. Capital Expenditure under the Programme up to the end of 1956-57 is now expected to amount to about £12,300,000, inclusive of £2,296,990 spent in the year 1955-56. The estimated figure of slightly over £10,000,000 for 1956-57 admittedly compares unfavourably with the total of £21,363,510 in the approved estimates for the year, but in making this comparison it must be noted that £6½ million of the shortfall of about £11,100,000 arises from the need for every attempt to be made by the major Corporations to obtain funds from such sources as the Colonial Development Corporation and the Banks before having recourse to the Federal Government.

4. With regard to the recruitment of staff there are signs of improvement both because more qualified Nigerians are becoming available and as a result of improved recruitment of expatriates. Every effort is being made to utilize fully the executive capacity of contracting firms ; a new departure in this direction is the employment of engineering consultants to assist the Public Works Department in the preparation and supervision of certain important road works, though it has to be recognized that this method is more expensive than where such contracts are handled entirely by Public Works Department staff.

5. The true position, however, is not so discouraging as might appear from the figures quoted above. The total expenditure chargeable to the Capital Budget in 1956-57 is estimated at just under £16.5 million—this includes the completion of works commenced under former programmes and certain special payments such as arrears of defence contributions and salary payments amounting in all to some £1.5 million, which are more properly charged to the Capital Budget than the Recurrent Budget, as well as expenditure on Economic Programme projects. Actual expenditure on all capital works in 1955-56 amounted to some £11.5 million so that, allowing for the special capital payments during the year, true capital expenditure in 1956-57 is expected to exceed the expenditure for the previous year by £3.5 million, that is by about 30 per cent.

6. The projects for which provision was made in the 1956-57 Capital Expenditure Estimates and which were described in Appendix IV to the Economic Programme involved a commitment of about £49 million to carry them through to completion. This amount will, on approval of the 1957-58 Capital Expenditure Estimates, rise to a total of about £62 million ; Economic Programme projects not yet fully committed will require a further sum of just under £30 million making a grand total for the entire Programme of £92 million.†

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* The Economic Programme of the Government of the Federation of Nigeria 1955-60, Sessional Paper No. 2 of 1956.

† The total capital expenditure in the Programme as originally framed amounted to £91,366,000. Various adjustments have been made during the past year, the details of which can be found in Appendix C to the Draft Estimates 1957-58. The major change has been the transfer of Agency Fees for the construction of Federal Public Works from the Recurrent to the Capital Expenditure Estimates, involving an estimated £750,000 for the three years ending 1959-60.

7. Expenditure on the Programme next year (1957-58) is estimated at £25,443,870 (a summary will be found in Appendix I); this, with the estimated expenditure of £12,605,000 from previous years, will bring the total up to £38,048,960 by 31st March, 1958. The following table indicates how these sums are expected to be spent :—

Head		*Total Committed*	*Estimated Expenditure to 31-3-58*	*Balance*
		£	£	£
601	Loans	13,540,000	6,538,000	7,002,000
602	Highways and Bridges	13,401,300	7,835,160	5,566,140
603	Public Works Extraordinary	10,412,780	7,525,440	2,887,340
604	Posts and Telegraphs	11,007,990	7,786,940	3,221,050
605	Other Capital Expenditure	13,738,060	8,363,420	5,374,640
	Total	£ 62,100,130	38,048,960	24,051,170

FINANCING THE PROGRAMME

8. A statement of the estimated position of the Development Fund up to the end of 1956-57 will be found in Appendix II. At paragraphs 18 and 19 of Sessional Paper No. 2 of 1956 it was envisaged that £18.8 million would be available at the 1st April, 1956, in order to finance further capital expenditure. In fact the amount standing to the credit of the Development Fund at that date was £23,851,521—an increase of rather more than £5 million over the figure originally estimated. The principal differences between the estimated amounts available and the actual amounts were :—

INCREASES OVER AMOUNTS FORECAST

	£M
General Revenue Balance in excess of needs for working capital	1.7
Balance of Highways Capital Account	.2
Marketing Board Loans drawn earlier than envisaged	2.0
Contribution from Revenue Equalisation Fund authorised by the House in 1956	4.8
Total	£8.7

DECREASES IN AMOUNTS FORECAST

Additional expenditure prior to 1956-57 originally charged to Advances	1.3
Proceeds of Nigerian Railway Pension Reserve Fund and Custodian of Enemy Property Funds not yet available	2.3
Total	£3.6

Net additional amount available .. .. .. £5.1 million.

This increase is to some extent offset by the fact that the cost of completing capital schemes initiated prior to the Interim Development Plan and not included in the Economic Programme has been found to be approximately £8.3 million as against the £5.5 million stated in paragraph 16 of Sessional Paper No. 2 of 1956.

9. The contribution from Revenue in 1956-57 is now estimated to be £6,569,000, which compares favourably with the total of £23 million estimated to be available from this source during the four year period. With the payment into the Fund during the year of £9.3 million borrowed from the Regional Marketing Boards the total amount thought to be available from this source has already been taken up.

10. At Appendix III is a statement of the estimated receipts and payments which will accrue to and be made from the Fund during 1957-58. This statement, together with that in Appendix II, indicates that it is estimated that :—

(*a*) Contributions from revenue will amount to £9,273,210 (inclusive of £4,048,160 from the General Revenue Balance) thus bringing the total from this source for the first two years of the Fund's existence to £15,842,210 ;

(*b*) That of the total allocation of £4.15m. from the Colonial Development and Welfare Fund (*see* para. 17 of Sessional Paper No. 2 of 1956) £1,620,000 will have been drawn in the two years 1956-57 and 1957-58 ;

(*c*) That although the balance in the Fund at the end of 1957-58 is estimated at £7,911,241, the completion of the projects to which funds will have been committed before 31-3-58 will cost some £24.8m. after that date.

11. While at first sight it would seem that the position of the Fund is better than was forecast in Sessional Paper No. 2 of 1956, it has to be borne in mind that total external loan requirements of £30,000,000 during the four-year period were envisaged in the Sessional Paper, subject to availabilities. Paragraph 25 of the previous Paper intimated that there could be no certainty that such a large sum would be forthcoming from external loans. In fact, from various negotiations and discussions which have taken place during the past year it seems doubtful if more than £15 million can be raised from such sources before 1960. Negotiations are already in progress with a view to obtaining the participation of the Colonial Development Corporation and other institutions in a number of important schemes, but there can be no certainty at this stage of the amount the Corporation may be willing to invest in the Programme. An approach has also been made to ascertain the attitude of the International Bank to investment in the Bornu Railway Extension project, for which the sum of £10 million was earmarked in the Economic Programme, but it is too early as yet to forecast the likely outcome.

12. The position regarding internal loans is a little more encouraging and there is every hope that it will prove possible to raise the £10 million hoped for from this source during the next three years. It is intended to seek to raise a loan within Nigeria during the course of 1957-58, partly in order to test the public response and partly in order to provide an outlet for investment within Nigeria for the very considerable sums which are likely to be available from the superannuation funds of the various Statutory Corporations and others.

13. As noted above, approval of the Draft Capital Estimates 1957-58 will inevitably commit a further £24.8 million in order to complete projects set in train prior to the 31st March, 1958. In addition a further sum of about £30 million will be required to complete projects on which no start will have been made, other than planning, by that date. Thus a total of some £55 million is likely to be required after the end of the next financial year if the full Programme is to be implemented. It is now necessary to consider how this sum can be found. First, the sources of which the Federal Government can be reasonably sure, barring unforseen events such as a complete collapse of the export prices for our crops or a further diversion of Federal revenues consequent upon the forthcoming Constitutional Conference, may be taken to be :—

	£M
Balance in the Development Fund at 31st March, 1958	7.9
Annual contributions from Revenue in 1958-59 and 1959-60 at the rate envisaged for 1957-58	10.5
Balance of C.D.& W. Grants..	2.5
Total	20.9 or, say, £21M.

14. This leaves a balance of some £34 million to be found from other sources. It would be realistic to assume that a maximum of £25 million will be forthcoming in the shape of loans (£15 million external and £10 million internal), leaving a gap of some £9 million. It is, of course, possible that further fortuitous surpluses on the Recurrent Budget such as that forecast

for 1956-57 (as a result of which it is hoped to be able to pay an additional £4,048,160 into the fund) might result during the next three years. The estimated surplus for 1957-58 is estimated at rather less than £1 million, and if this is repeated during the final two years of the Programme a total of about £3 million might be available from this source, leaving a gap of £6 million for which additional funds must be found unless expenditure during the remaining years of the Programme falls appreciably below the level envisaged.

15. This appraisal of the future position is, of course, based on the assumption that it will prove possible to continue contributions to the Development Fund from revenue at the levels of 1956-57 and 1957-58. If, however, produce prices become further depressed, or if recurrent expenditure rises beyond the limits set out in Sessional Paper No. 2 of 1956, it may not be possible to continue the annual contributions at this level. The Government will therefore exercise the most rigorous control over recurrent expenditure in order not to jeopardise the remainder of the Programme.

COLONIAL DEVELOPMENT AND WELFARE FUND

16. The procedure adopted by the United Kingdom Government for the disbursement of the territorial allocation of £4.15 m. to the Federal Government is to make payments of an agreed proportion of the actual expenditure incurred by the Federal Government on such projects as the Secretary of State considers suitable for support from this source. So far arrangements have been made for the Highways and Bridges programme to be supported to the extent of £1,500,000, though it should be noted that this does not increase the total amount available for this programme. It is expected that arrangements will be concluded in 1957 for other projects to be similarly assisted so that it will be possible to absorb the whole C.D. & W. allocation by the end of the year 1959-60.

RECURRENT EXPENDITURE

17. No arithmetically accurate distinction can be drawn in detail between increases in recurrent expenditure attributable to the expansion of services under the Economic Programme, and increases due to other causes such as the continuation of projects embarked upon before the Programme was framed, the gradual filling of the considerable number of posts vacant before 1st April, 1956, and salary and wage revisions. Sessional Paper No. 2 of 1956 indicated what increases in recurrent expenditure might be expected to arise from the implementation of the Economic Programme, and it is estimated that, of the total increase of £4,189,000 detailed in Appendix II to the Sessional Paper, £2,566,000 will have been taken up during the year 1957-58, leaving a balance of £1,623,000 for the remaining two years. Appendix IV provides a breakdown of these totals.

MAJOR CHANGES IN THE PROGRAMME

18. The following is a summary of changes in the Programme, proposed or foreseeable :—

(*a*) RE-ALLOCATIONS REFLECTED IN THE DRAFT CAPITAL ESTIMATES 1957-58

		Reduction/ Increase	*Amended Allocation*
Lagos Town Planning		£	£
Mortgage Scheme	less ..	150,000	700,000
Central Area Rebuilding	less ..	150,000	50,000
		300,000	—
Central Lagos Slum Clearance Scheme	plus ..	300,000	1,280,000
Ports and Inland Waterways			
Loans to Nigerian Ports Authority ..	less ..	638,000	2,000,000
Transfer from margin for increased cost	.. ..	455,000	—
		£1,093,000	

		Reduction Increase	*Amendment Allocation*
		£	£
Port Harcourt Wharf Extension ..	plus ..	750,000	4,000,000
Apapa Wharf Extension increased cost ..	plus ..	330,000	330,000
Unallocated		13,000	—
		£ 1,093,000	

Other Public Works : Agency Fees.—Capital works. The Regional Governments carry out a great deal of work on behalf of the Federal Government and receive an Agency Fee for this service. In the past the provision for this in respect of capital works has been wrongly shown in the Recurrent Budget, but this error has now been corrected by increasing the allocation for Other Public Works by £750,000, which will be balanced by increased payments from revenue to the Development Fund.

(*b*) Increases in Capital Allocations not reflected in the Draft Capital Estimates for which the sanction of the House of Representatives will be sought as the Need arises

	£
Nigerian Naval Force	
Original Allocation	50,000
Increase	1,250,000
Amended Allocation	£1,300,000

This additional expenditure on the Nigerian Naval Force can not be accommodated within the existing Programme allocations and the funds will have to be found either from savings on other schemes or from additional taxation.

(*c*) Increases in Capital Expenditure the Need for which can be foreseen

Higher Education : University College, Ibadan.—It is not unlikely that the Visitation taking place this year may make recommendations involving sizeable increased capital expenditure by the College, particularly with regard to increased student accommodation. The Government's proposals will be communicated to the House when the Visitors' Report and the comments of the College authorities have been received.

Police.—The Council of Ministers has at present under consideration proposals for reorganisation of the Police Force and its decision will be communicated to the House in due course. It is not improbable, however, that substantially increased costs may be involved.

(*d*) Increases in Recurrent Expenditure

Defence : Nigerian Naval Force.—Concurrently with the expanded capital programme recurrent expenditure will need to be increased by up to £300,000 per annum by 1959-60.

Ports and Inland Waterways : Inland Waterways Department.—No provision appears in the Economic Programme for this department which is being set up in accordance with the Statement of Policy in Sessional Paper No. 7 of 1956. This proposed that the Department should be established in two stages—the first in 1956, the second in 1958. During the first stage only the Navigation Branch, with some headquarters staff, is being set up. The second stage, which will only come about on the completion of the present N.E.D.E.C.O. investigation will see the addition of the Hydrological Branch and Hydraulic Engineering Branch which together will complete the pattern of the Department.

This programme remains unchanged but clearly it is important to assess, as far as is practicable, the additional recurrent expenditure which the new Department will require if it is to reach maturity within the current development period, 1955-60. The experience of the past six months shows that a number of relatively minor changes are desirable in the Navigation Branch, already partly established. Secondly, a recent decision on accounting policy will imply fresh consideration of the Accounts and Stores sections, which are interlinked. Thirdly,

there are new proposals about to be put forward by N.E.D.E.C.O. for the Navigation Branch of the new Department. Finally, there are the financial implications of setting up two additional Branches in 1958, the cost of which must still be largely conjectural at this stage. The recurrent expenditure consequent on these changes falls into two classes dictated by the time when the changes will take effect, *i.e.* (*a*) those for early implementation and (*b*) those for implementation after 1958.

A working party has conducted a preliminary examination of the recurrent costs of meeting these needs, which will require further detailed examination. It is, however, possible to estimate now that an increase in recurrent expenditure of about £27,000 per annum will be required up to 1958, and a further £59,000 per annum after that year, making a total of £86,000 per annum.

Higher Education : University College Teaching Hospital.—Paragraph 80 of Sessional Paper No. 2 states specifically that no provision has been included in the Economic Programme for additional recurrent costs of the University College Teaching Hospital arising from the expenditure of the capital provision of £350,000 under the Economic Programme. It is only fairly recently that it has been possible to forecast with reasonable accuracy the recurrent cost of the Hospital as at 1959-60 ; a probable figure is £830,000 per annum, representing an increase of some £480,000 over the level of 1955-56 expenditure. Expenditure of this order must be regarded as inevitable. The estimates have been subject to rigorous pruning but the hard fact remains that it is impossible to operate a Teaching Hospital of the magnitude of that approaching completion at Ibadan for less than about £850,000 per annum, making an increase of £500,000 per annum over the level of 1955-56 expenditure, of which £160,000 has already been absorbed in the 1957-58 recurrent budget.

Defence.—In paragraph 62 of Sessional Paper No. 2 of 1956 ("The Economic Programme of the Government of the Federation of Nigeria") it is stated that Nigeria has undertaken to increase its contribution towards the cost of maintenance of its military forces overseas as far as is compatible with the numerous other claims on the resources available to the Federal Government, until the time when it will be able to assume the whole financial burden. The future cost of these Forces cannot be assessed with precision, but it appears that on the basis of present establishments under United Kingdom control the total annual cost is unlikely to be less than £3,000,000 per annum. Negotiations are in progress with Her Majesty's Government concerning the rate at which Nigeria should increase its contribution towards the cost of military defence until the stage is reached where Nigeria re-assumes control of its military forces (including financial control). Pending settlement of the various and complex issues involved the House will wish to note that increased recurrent expenditure on these forces is a commitment which must be taken into account in any assessment of the Federal Government's financial position.

Higher Education : University College, Ibadan.—It is not at present possible to compute the final figure of recurrent expenditure upon the University College, Ibadan, as at the financial year 1959-60. Paragraph 83 of Sessional Paper No. 2 of 1956 provided for additional recurrent expenditure of £66,000 per annum upon the College in respect of capital provision made under the Economic Programme. A Visitation of the College has taken place this year and in the light of the Visitors' Report and the comments of the College Authorities the Government will have to give further study to the question of the finances of the College : recommendations will be made to the House in due course. It is likely that further additional recurrent expenditure will have to be incurred in respect of the College though it is impossible to give any assessment of what this additional expenditure may be.

Police.—In conjunction with the capital expansion of the Police Force at present under examination, the need for a substantial increase in recurrent expenditure is already being felt. Though the actual amount required cannot yet be stated with certainty, it will not be less than the original allocation of £225,000 per annum in the Economic Programme, and may well be more.

Where full details of the changes proposed are not set out above they will be found subsequently in the section of this Report dealing with individual sections of the Programme.

PROGRESS REPORT ON THE INDIVIDUAL PROGRAMMES

Broadcasting

19. Of the £200,000 made available for the years 1955-56 and 1956-57, £118,000 was allocated for technical equipment designed to improve the quality and coverage of the existing Service. Some of the equipment has been received and the balance is on order. The remaining £82,000 was allocated to building work which included Extension No. 2 to Broadcasting House, Lagos, and a new transmitter building at Ibadan.

20. It is expected that the Nigerian Broadcasting Corporation Ordinance (No. 39 of 1956) will be made effective from the 1st April, 1957. Of the balance of funds available under the Broadcasting allocation in the Programme, £128,000 has been inserted in the Estimates for 1957-58. All of this sum will be allocated to building works and these will include Stage 1 of a new Broadcasting House at Ibadan, extensions to the Regional Headquarters at Kaduna and Enugu and Extension No. 3 to Broadcasting House, Lagos.

	£
Revised Estimated Expenditure to 31-3-57	200,000
Estimated Expenditure, 1957-58	128,000
Estimated Expenditure up to 31-3-58	328,000

West African Building Research Institute

21. Further examination of the financing of this inter-territorial organisation indicates that there is likely to be some reduction in the capital required during the present development period, though a slight increase in recurrent expenditure is possible. Arrangements are now being made to provide land for the Zaria branch of the Institute, and when these are complete building of the requisite accommodation will begin.

	£
Revised Estimated Expenditure to 31-3-57	7,000
Estimated Expenditure, 1957-58	28,000
Estimated Expenditure up to 31-3-58	35,000

Building Society

22. The Society has now been incorporated under the title of the Nigeria Housing Development Society, the majority shareholding being held by the Colonial Development Corporation; it is intended that the equity shareholding should ultimately be £1 million, but that part of the initial capital should be in the form of loans, provided, so far as the Federal Government is concerned, at rates of interest comparable with those that would be charged by other investors, such as Banks or Insurance Companies.

23. The object of the Society is to make loans for the construction of houses, the security being the houses themselves. The Society is expected shortly to begin active operations and will require for this purpose a capital of about £350,000 in 1957. Provision of £200,000 has therefore been made in the Draft Estimates which should be sufficient to meet Government's obligations to the Society in 1957.

24. It is the Society's intention to operate on sound commercial lines, and to adjust its interest rates to borrowers so as to cover fully the capital and administrative charges it will have to meet. In this way it is hoped to make reasonable profits so as to attract further capital for an extension of its activities, which will in the first place be confined to Lagos, though it is hoped that as the Society gains experience and capital, extension to the Regions will become possible.

	£
Revised Estimated Expenditure to 31-3-57	10,000
Estimated Expenditure, 1957-58	200,000
Estimated Expenditure up to 31-3-58	210,000

Cameroons Development Corporation

25. The Corporation received a loan of £258,000 during the year 1956-57 to enable it to continue its capital development programme on the plantations under its control. Owing to relative freedom from storm damage during the past year and to improved organization the Corporation expects to be able to continue its programme during 1957 without the need for further investment by the Federal Government.

	£
Revised Estimated Expenditure to 31-3-57	258,000
Estimated Expenditure 1957-58	Nil
Estimated Expenditure up to 31-3-58	258,000

Central Records Office

26. A contract has now been let for the building at Ibadan for the collection and storage of public records, some of which are temporarily housed in accommodation lent by the University College, Ibadan.

	£
Revised Estimated Expenditure to 31-3-57	16,000
Estimated Expenditure 1957-58	30,000
Estimated Expenditure up to 31-3-58	46,000

Civil Aviation

27. *Airports : New Construction and Improvements* .—Work has begun on the construction at Lagos of a new aircraft taxiway linking the parking area with the runway. Plans for a new operational block for Lagos Airport including a new control tower, have now been completed.

The resurfacing of the runways at Enugu and Oshogbo is expected to begin during the forthcoming year. Detailed surveys and other important preliminary work have been completed on the new runway at Kaduna, construction of which will start in 1957.

The installation of radio navigational aids, radio communications, fire fighting services and air traffic control facilities was completed at Oshogbo enabling the aerodrome to be opened for scheduled services in October 1956.

28. *Operational Lighting* :—Low intensity runway lighting will be installed during 1957 at Oshogbo and Benin together with taxiway lighting at Lagos. Similar lighting will be provided at Kaduna in conjunction with work on the new runway.

29. *Telecommunications Equipment* :—The Kano to London section of the radio communication link has now been completed. V.O.R. radio beacon equipment (formerly known as distance measuring facilities) has been ordered and contracts allocated for its installation at Kano.

30. *Control Tower Equipment.*—A programme for providing operational control desks has been completed for Jos, Benin and Calabar; similar equipment is now available for Makurdi and Oshogbo.

SUMMARY

	Revised Estimated Expenditure to 31-3-57 £	*Estimated Expenditure 1957-58* £	*Estimated Expenditure up to 31-3-58* £
Airports; New Construction and Improvements	55,500	400,000	455,500
Operational Lighting	15,000	36,000	51,000
Telecommunications Equipment ..	43,000	79,000	122,000
Control Tower Equipment	1,750	1,250	3,000
Total .. ..£	115,250	516,250	631,500

CUSTOMS AND EXCISE

31. The site for the Waterguard Barracks at Kano Airport has been acquired and cleared and work is expected to begin shortly. Work on the Port Harcourt Waterguard Barracks is to begin in 1957-58. In the Eastern Frontier Control Scheme funds have been allocated for the following projects :—

(*a*) Customs Control Point, Maiduguri.

(*b*) Customs House and Junior Staff Quarter, Yola.

(*c*) Rebuilding existing stations at Mbonzie and Edib Njok.

Further schemes on the Eastern Frontier are to be put in hand later.

	£
Revised Estimated Expenditure to 31-3-57	9,000
Estimated Expenditure 1957-58	75,000
Estimated Expenditure up to 31-3-58	£84,000

DEFENCE

32. *Military Works Services.*—The funds provided in the Economic Programme for Military Works Services are as follows :—

	£
(*a*) Construction Programme	1,582,000
(*b*) Military Buildings and Accommodation	800,000
(*c*) Command Headquarters	269,000
	£2,651,000

Utilizing funds from within this allocation, the following major works are in progress or will be begun in 1957-58.

33. *Re-siting 41 Supply Depot.*—Work on this project began in 1956-57 and it is hoped to complete half the project in 1957-58.

34. *Officers and British N.C.O's. Married Quarters.*—£80,000 has been voted for this project in 1956-57 and will be spent by 31st March, 1957; a similar sum is expected to be spent in 1957-58.

35. *Other Ranks Quarters.*—A number of quarters have been built for the Nigeria Signal Squadron and Army Service Corps in 1956-57 and more are to be built in 1957-58. It is proposed to build similar accommodation for Medical and Ordnance Corps in 1957-58.

36. *Military Buildings and Accommodation.*—The main items being constructed are married quarters, and work is on progress on the project for the transfer of 88 Transport Company from Ikoyi to Apapa. It is hoped to complete the latter project by May 1957. A considerable number of minor works have also been completed and a certain amount of maintenance has been carried out.

37. *Command Headquarters.*—The construction of all magazines, offices, and married quarters for this unit will be completed by the end of the financial year. It is intended to spend £80,000, available in 1957-58, for the construction of quarters for the African Other Ranks who have had to be posted to Lagos as a result of the change in the organisation of the Command.

38. *Nigerian Naval Force.*—Capital provision under the Economic Programme for this Force is limited to £50,000. This is only sufficient for the following :

(*a*) the conversion and partial armament (with three pounder guns) of vessels taken over from the Marine Department ;

(*b*) the conversion of the Port Depot to provide office accommodation for the Headquarters of the Navy ;

(*c*) the modification and adaptation of old Port Engineering buildings to house the Naval Training School ;

(*d*) the clearing of the remainder of the site allocated to the Force.

39. It is now clear from discussions with the Chief of Staff to the Commander-in-Chief, South Atlantic Station, that if there is to be any real contribution towards the establishment of a Nigerian Naval Force before 1959-60 substantially increased capital provision will be needed. The requirements involved fall into the following categories :—

(*a*) *Armament of existing vessels.*—The cost of Bofors anti-aircraft guns (the type of weapon recommended by the Admiralty) is now known to be considerably higher than was originally expected, and while it will be possible to arm three of the existing vessels with three-pounder guns within the existing provision, it will not be possible to provide Bofors without additonal capital. It is proposed to arm three vessels with these guns and to provide one more for shore training.

(*b*) *Additional installations necessary whether the Navy is expanded or not* (*e.g.*, jetty, boat-house, stores). It is clearly more economical to provide now a jetty giving 20 feet draught which can accommodate ships in a subsequently expanded Navy or ships of the Royal Navy, than to confine the work to what is sufficient for the existing vessels only. Provision is not included for any barrack accommodation.

(*c*) *Purchase of new Warships.*—It appears inevitable that if the Navy is to be expanded along the lines best fitted to enable Nigeria to play a part in Commonwealth Defence, and to provide her eventually with a balanced though modest naval force, the initial warships to be acquired will be Seaward Defence Boats, a type which it will not be possible to secure on transfer from the Royal Navy and which will have to be purchased.

(*d*) *Additional Port Installations.*—If the Navy is to include any vessels designed as warships and not as craft for civilian duties but fitted with light armament, additional port installations are essential, and they will have to be provided in time to be available when new vessels are commissioned. The needs include at least one slipway, barrack accommodation, engineering workshops, additional store-rooms and new accommodation for the hydrographic office. A firm of consulting engineers is at present engaged in preparing an estimate of these works.

40. The capital cost of this expansion is estimated at not less than £1¼m. Additional recurrent expenditure will also be involved in the expansion of the Naval Force ; this commitment is estimated to rise to £337,000 per annum by 1959-60.

41. The following financial summary is based upon the Draft Estimates of capital expenditure for 1957-58, and excludes additional provision for the Naval Force :

	Revised Estimated Expenditure to 31-3-57	*Estimat ed Expenditure,* 1957-58	*Estimated Expenditure up to* 31-3-58
	£	£	£
Military Buildings and Accommodation ..	220,000	220,000	440,000
Re-siting 41 Supply Depot	17,200	40,000	57,200
Command Headquarters	168,750	100,250	269,000
Other Ranks Quarters..	250,000	450,000	700,000
Officers and Other Ranks Quarters	80,000	80,000	160,000
Naval Force	13,000	37,000	50,000
	£ 748,950	927,250	1,676,200

Education—General

42. *Primary Education.*—It is now estimated that a total of 1,056 additional schoolrooms, inclusive of those to be provided under the rebuilding programme, will be required to meet the immediate needs of free primary education in Lagos. During the year 1956-57 £308,000 will have been spent on new buildings and equipment, and £62,000 on repairs and rebuilding of existing schools. At the beginning of 1957, 307 class rooms were under construction. Provision of £250,000 in the 1957-58 Draft Estimates for new buildings and equipment, and of £120,000 for repairs and rebuilding are intended to cover the completion of the programme started in 1956-57 and the cost of starting a new programme for a further 494 class rooms.

43. Repairs of existing buildings at a cost of £45,000 (from within the provision for repairs and rebuilding mentioned above), is nearly complete. 32 projects have been approved and of these 29 will have been completed by 31st March, 1957.

44. Admissions amounted to 5,500 in 1956 and it is estimated that in 1957 the figure will be 8,200, bringing the primary school population in Lagos up to a total of 43,000 by the end of 1957, after making a reasonable allowance for wastage.

45. A programme of this magnitude involves the acquisition of land both for new schools and for the extension of existing schools. A total of 65 acquisitions will ultimately be required. During the current financial year it is hoped to complete proceedings in respect of 22 sites and a further 16 new sites will probably be required during 1957-58.

46. To facilitate provision of land for this programme powers were obtained under Ordinance No. 11 of 1956 (the Education (Lagos) (Amendment) Ordinance) for the compulsory acquisition of land for educational purposes. Under the Ordinance if there is any hindrance to private acquisition of land by a Voluntary Agency, including failure by the Agency to reach agreement on the price of land, there may be resort to compulsory acquisition. In such cases the land becomes Crown property and is leased to the Voluntary Agency on terms allowing the Minister to retain control over the use of the site to ensure the efficiency of the schools.

47. To assist Voluntary Agencies and to ensure the maintenance of satisfactory building standards local firms of architects are retained by the Ministry to design and supervise the construction of all new primary school buildings.

48. The Grant-in-Aid regulations under the Education Ordinance have been amended to meet the situation arising from the abolition of fees in primary schools in Lagos. The new Regulations will increase Grants-in-Aid for recurrent purposes and provide for a contribution to primary education from the Lagos Town Council.

49. *Teacher Training.*—Construction of the Government Teacher Training Centre has now begun at Suru Lere. This Centre, which is at present occupying temporary quarters in the Government school, completed the training of 53 Grade III teachers in 1956. A similar number will complete their training in 1957, and a two-year course to produce 30 Grade II teachers will also be started this year.

50. A site is being acquired for a Moslem Teacher Training Centre, under the proprietorship of a body representing all approved Moslem Voluntary Agencies. It is hoped that building will begin in 1957-58, but in the meantime training will be carried on in temporary accommodation.

51. *Post Primary Education.*—A Girls' Commercial School, Ebute Metta (R.C.M.) and Government Domestic Science Centre, Yaba, are now under construction. The former is operating successfully in temporary buildings and it is expected that the permanent buildings will become available for occupation during June 1957. In addition, funds have been provided to assist a private organisation which is constructing a new Post Primary School at Idi-Oro.

52. The following Voluntary Agency projects have reached an advanced stage of planning and construction may begin during 1957-58 :—

Boys' Commercial School, Apapa (Christian Council)

Girls' Modern Academy, Obalende (privately owned Modern School and Domestic Science Centre)

Modern School and Domestic Science Centre, Suru Lere (R.C.M.)

Anglican Girls' School, Broad Street (Modern School and Domestic Science Centre)

Anglican Girls' Secondary School, Suru Lere

Our Lady of Apostles Secondary School, Yaba

Moslem Boys' Secondary School, Suru Lere

All these projects will be supported in varying degrees by capital Grants-in-Aid.

53. Plans for reconstructing and extending Queens' College are now complete and this work may begin before the end of March on a site in Yaba.

SUMMARY

	Revised Estimated Expenditure to 31-3-57	*Estimated Expenditure,* 1957-58	*Estimated Expenditure up to* 31-3-58
	£	£	£
Primary Schools			
Buildings and Equipment	308,000	250,000	558,000
Repairs and Rebuilding	75,760	120,000	195,760
Post Primary Education			
Voluntary Agencies	44,000	90,000	134,000
Government Institutions (including Examination Hall)	18,000	103,500	121,500
Teacher Training			
Voluntary Agencies	5,000	20,000	25,000
Government Institutions	13,500	20,000	33,500
Acquisition of Sites (all purposes)	50,120	100,000	150,120
	£ 514,380	703,500	1,217,880

EDUCATION—HIGHER

54. *University College, Ibadan.*—It is expected that the College authorities will formulate plans for further capital expenditure in the light of the Visitation this year, and it is not unlikely that this will necessitate expenditure in excess of the present allocation of £472,000. In the meantime additional hostel accommodation for fifty-eight students is under construction, and building of accommodation for a further fifty-eight students is expected to begin during 1957.

55. *University College Teaching Hospital.*—During the past year the Board of Management had sufficient capital funds available to continue constructing and equipping the Hospital, without drawing upon the allocation of £350,000 in the Economic Programme.

Funds may be required in 1957-58 for :

(*i*) additional equipment

(*ii*) the second phase of the School of Nursing and Midwifery

(*iii*) extension of hostel accommodation

(*iv*) staff housing

Pending the preparation of final estimates for the above a token amount of £5,000 has been included in the Draft Capital Estimates 1957-58.

56. *Nigerian College of Arts, Science and Technology.*—During 1956-57 work has continued on the following major projects, in addition to numerous minor works :

Zaria Lecture room and Laboratories to accommodate between 400 and 500 students

Enugu Hostel blocks to accommodate 168 male students
Stores and Workshops

Ibadan Staff Houses
Workshops and Stores

In 1957-58 work will begin on the following further projects :

Zaria Staff Housing
Roads and Services

Enugu Hostel accommodation for male and female students

Ibadan Staff Housing

	£
Revised Estimated Expenditure to 31-3-57	408,000
Estimated Expenditure 1957-58	451,000
Estimated Expenditure up to 31-3-58	£859,000

ELECTRICITY

57. The policy of the Electricity Corporation is dominated by the fact that the demand for electricity in its existing undertakings has for some time past been increasing at an average rate of around 20 per cent per year. Thus the Corporation has in the financial years from 1951 to 1955-56 sold the following quantities of electricity :—

	Units
1951-52	53,873,200
1952-53	75,966,600
1953-54	89,962,161
1954-55	110,713,874
1955-56	134,470,507

and expects to sell in :—

1956-57	158,000,000
1957-58	193,000,000

There is no reason to suppose that the increase in demand will not continue for some years to come at a similar level.

58. To meet this remarkable expansion in the use of electricity inevitably involves the investment of substantial capital in new generating plant if the situation is not to arise where new consumers cannot be accepted and where industrial progress would be hampered by lack of electricity.

59. In pursuance of this policy of meeting the growth of demand the Corporation is planning the installation of new generating plant in all its undertakings during the next four to five years. During the year 1956-57 detailed planning of new major plant extensions has been vigorously pursued in the light of the advice of the Corporation's technical consultants and tenders have been sought for substantial plant extensions for the following power stations :

Lagos

Aba (to serve Port Harcourt also)

Ibadan

Kaduna

Further tenders will be sought in 1957-58 for new generating plant for existing power stations in all Regions and the Cameroons.

60. The total cost of these extensions, together with the new undertaking for the Ijebu-Ode area (financed by the Government of the Western Region), will amount to about £5 million. Of this sum it is estimated that £3 million will be required from the Federal Government in the form of a loan in 1957-58.

	£
Revised Estimated Expenditure on Government Account to 31-3-57	Nil
Estimated Expenditure on Government Account 1957-58 ..	3,000,000
Estimated Expenditure on Government Account up to 31-3-58	3,000,000

Geological Survey and Mining

61. A site has been selected for the Ore Dressing Mill and building will begin shortly. A house for the Ore Dresser is under construction and this appointment has been filled. Recruitment of artisan staff will be put in hand to link up with the installation of the machinery for the Mill. A considerable amount of the machinery has been ordered and deliveries are being phased to coincide with the completion of the building.

62. Detailed plans for the Ore Dressing Laboratory at the Geological Survey Headquarters are in course of preparation and a large amount of the equipment for the laboratory is on order.

	£
Revised Estimated Expenditure to 31-3-57	20,850
Estimated Expenditure 1957-58	22,150
Estimated Expenditure up to 31-3-58	43,000

Government Press

63. Construction of the new Government Press building at Apapa, for which £350,000 is provided, has been delayed as the site first investigated was found incapable of bearing the heavy machinery necessary without prohibitive expense. A new site has been chosen in Apapa and it is hoped to call for tenders for the construction in the early part of the next financial year, 1957-58.

	£
Revised Estimated Expenditure to 31-3-57	10,000
Estimated Expenditure 1957-58	100,000
Estimated Expenditure up to 31-3-57	110,000

Hotel Accommodation

64. The Kano Central Hotel and the Ikoyi Guest House, formerly leased to Nigeria Hotels Limited are now in the process of being sold to the Company. There is an urgent need for additional hotel accommodation at Kano, particularly in view of that City's increasing importance as an international air centre, and the £40,000 provided in the Economic Programme is intended as a loan to the Company for the construction of a new block of modern hotel bedrooms.

	£
Revised Estimated Expenditure to 31-3-57	Nil
Estimated Expenditure 1957-58	40,000
Estimated Expenditure up to 31-3-58	40,000

Industry

65. *Industrial Research.*—Conversion of existing buildings at Oshodi for the use of the Institute of Applied Technical Research and the erection of further temporary accommodation are expected to be complete by the end of the current financial year, providing 4,000 square feet of laboratory space, 4,000 square feet of workshop space and a further 4,000 square feet for stores, drawing offices and administrative purposes. Research is already in progress on the development of carding and preparing machinery for local fibres other than cotton; provisional patents have already been granted for such machinery. Orders have been placed for plant for garri production to be constructed in the light of research already carried out. Craft of new design continue to be produced at the Opobo Boat Yard; experiments are being undertaken concerning the preservation of palm wine. Further expansion of the Institute awaits the recruitment of additional research staff.

66. *Industrial Estate.*—The site for the estate at Yaba has now been cleared and a contract allotted to a Nigerian firm for the construction of factory units, which is expected to be complete within a year, though it is hoped that the first units will be available for letting before the end of 1957.

67. *Federal Loans Boards.*—Legislation has been enacted for the establishment of Federal Loans Board to make and administer loans for projects designed to further industrial development. The Board has now been formally constituted and loans have already been made for projects which include saw milling, a bakery and a mineral waters plant.

68. *Loans for major projects.*—Negotiations are in progress with various important industrial interests concerning the possibility of constructing a flour mill, a paint factory and a biscuit factory.

69. *Under-Writing of Share Capital to Nigerian Cement Company.*—Pending underwriting the public issue of shares to the value of £174,900, the Federal Government has advanced this sum temporarily to the company; it is intended that this part of the company's share capital will be offered to the public after the plant has started operations.

Summary

	Revised Estimated Expenditure to 31-3-57	*Estimated Expenditure,* 1957-58	*Estimated Expenditure up to* 31-3-58
	£	£	£
Industrial Research	65,000	93,000	158,000
Industrial Estate	45,000	35,000	80,000
Federal Loans Board	150,000	150,000	300,000
Loans for major projects ..	—	200,000	200,000
Under-writing of share capital to Nigerian Cement Company ..	—	175,000	175,000
	£ 260,000	653,000	913,000

70. *Central Lagos Slum Clearance Scheme.*—Clearing operations in Central Lagos began in the latter part of 1956 involving an area of approximately five acres bounded by Broad Street, Breadfruit Street and Balogun Street; compensation settlements in respect of this area are proceeding. A site development contract for the construction of roads, drains, footpaths, etc., in this area has now been allotted; work is about to start and is expected to be complete within two years. The reallocation of plots amongst the original owners proceeds under the control of a committee appointed by the Minister of Land, Mines and Power. It is now estimated that this Scheme will cost £1,280,000 during the present planning period, an increase of £300,000 upon the figure of £980,000 included in the Economic Programme, to be provided from savings on other Schemes noted below.

71. *Suru Lere Rehousing Scheme.*—Approximately 500 houses for the temporary use of persons displaced from the central area of Lagos under the preceding scheme will be complete by the end of March 1957. It is intended to construct a further 400 houses by the end of 1957, thus completing the whole of this scheme. Dependent upon progress with the Central Lagos Clearance Scheme all those houses are likely to be occupied by the end of 1957.

72. *Mortgage Scheme.*—This scheme is expected to become operative during 1957 as sites in the Central Area become available after clearance and when those to whom they have been reallocated apply to the Board for capital for building purposes. The capital required before 1961 is now estimated at £700,000 as compared with the £850,000 originally estimated in the Economic Programme.

73. *Lagos Housing Scheme.*—750 houses (with a total of 1,400 rooms) will be constructed by the end of the current financial year and are being leased on completion to approved applicants amongst the lower income groups. By March 1958 this scheme will be complete and will provide a total of 1,300 houses; its estimated cost has been increased by a total of £50,000 derived from the margin for increased cost (*see* paragraph 46 of the Economic Programme).

74. *Itire Road Estate.*—Site development to accommodate 300 houses is now complete and plots are being disposed of freehold as soon as they are ready; a further area in this scheme will be developed in 1957-58 to provide another 150 plots. It is intended that part of the land developed should be available for the Building Society.

75. *Water Drainage, Suru Lere.*—This project is intended to provide main surface water drainage for the extensive areas being developed at Sure Lere, including the Sure Lere Rehousing Scheme and the Lagos Housing Scheme. Work is expected to begin in the latter part of 1957.

76. *Lagos Executive Development Board: Offices and Stores.*—Work on this project is expected to begin during 1957-58 when a suitable site has been approved.

77. *Lagos Executive Development Board: Quarters.*—The greater part of this programme will be completed during the current financial year.

78. *Central Area Rebuilding.*—This project is intended to provide funds for the Lagos Executive Development Board to erect tenements for letting where private enterprise is not interested in rebuilding in cleared areas in Central Lagos. It is now estimated that only £50,000 will be required for this purpose during the current development period. The saving of £150,000 from this scheme, together with £150,000 savings from the Mortgage Scheme, serves to make good the increase of £300,000 in the cost of the Central Area Slum Clearance Scheme.

79. *Victoria Island Investigation.*—A contract for this investigation has been awarded after public tender to a German civil engineering firm, and is expected to be completed during 1957-58.

80. *Completion of Apapa Estate.*—Work on this project continues; but the Board does not at present intend to draw upon the loan provision for it in the Economic Programme.

SUMMARY

	Revised Estimated Expenditure to 31-3-57 £	Estimated Expenditure, 1957-58 £	Estimated Expenditure up to 31-3-58 £
Loan Expenditure			
Sure Lere Rehousing Scheme ..	200,000	440,000	640,000
Mortgage Scheme	—	100,000	100,000
Water Drainage, Suru Lere	—	100,000	100,000
Itire Road Estate	—	120,000	120,000
L.E.D.B. Offices and Stores	—	50,000	50,000
L.E.D.B. Quarters	—	20,000	20,000
Total, Loan Expenditure	£200,000	830,000	1,030,000
Other Expenditure			
Central Lagos Slum Clearance ..	400,000	260,000	660,000
Lagos Housing Scheme	730,000	320,000	1,050,000
Victoria Island Investigation ..	15,000	20,000	35,000
Total, Other Expenditure	£1,145,000	600,000	1,745,000
Total, Lagos Town Planning ..	£1,345,000	1,430,000	2,775,000

NOTE.—The Central Lagos Slum Clearance Scheme previously appeared under the Loans Head of the Capital Expenditure Estimates, but has now more appropriately been placed under Other Capital Expenditure.

MEDICAL AND HEALTH

81. *Mainland Hospital.*—Acquisition proceedings are in progress for a site of approximately 90 acres at Suru Lere and the access road will be constructed during 1957. Preliminary planning of the new hospital, including site testing, went forward in 1956 in the light of advice from a firm of consulting architects specialising in hospital design.

82. *Maternity Hospital.*—The selection of a suitable site has given rise to great difficulty and the possiblity is now being considered of providing maternity facilities by extension of the Mainland Hospital. In order to improve maternity services in Lagos it is Government's policy to encourage the expansion of domiciliary midwifery in conjunction with the Lagos Town Council.

83. *Chest Clinic.*—The former medical stores accommodation in Broad Street Hospital is now being converted to a Chest Clinic to house a mass X-ray unit and the Chest Clinic proper together with laboratory and lecture room facilities. Work is expected to be finished during the first half of 1957, and the Clinic will be in full operation shortly afterwards.

84. *Creek Hospital : Sisters' Quarters.*—Tenders will shortly be sought for this project.

85. *Clinics and Dispensaries.*—Further examination of the projects in the Economic Programme covering these services indicates that economy both of funds and land would without loss of efficiency result from constructing combined dispensaries and out-patients' clinics. Plans are now available for buildings suitable for two of the three sites selected and these sites are now being acquired ; construction will begin as soon as acquisition proceedings have been completed.

86. *School of Medical Laboratory Technology.*—Plans are being prepared for structural alterations to accommodate this unit in the Broad Street General Hospital and work will begin in 1957.

87. *School of Dental Hygiene.*—This school is to be accommodated, together with the Chest Clinic, in the reconstructed Medical Stores building, in Broad Street; it is expected to open in the latter part of 1957. £7,075 for equipment have been allocated from United States Government funds through the International Co-operation Administration which organisation has accepted responsibility for providing the Research Officer to be attached to this unit.

88. *Vaccine Production.*—The requirements of the World Health Organisation for the approval of Yaba Yellow Fever Vaccine have necessitated modification of the original plans for the large scale production of this important vaccine; the approval of the International Co-operation Administration will be required for these modifications since the project is supported by an allocation of £24,500 from this body. Planning of the rabies and smallpox vaccine laboratories will be undertaken during 1957.

89. *Blood Transfusion Service.*—Plans for the building for this service are now complete and it is hoped that construction will begin in 1957.

90. *Lagos Ambulance Service.*—The headquarters will be constructed in conjunction with the combined Dispensary and Clinic building at Ebute Metta.

91. *Improvements to Creek and General Hospitals.*—Since the Economic Programme was framed the need for minor improvements such as air conditioning for operating theatres, improved consulting room facilities, etc., has become apparent and £27,500 has therefore been allocated for this purpose from within the total provided in the Programme for Medical and Health Services.

SUMMARY

	Revised Estimated Expenditure to 31-3-57	*Estimated Expenditure,* 1957-58	*Estimated Expenditure up to* 31-3-58
	£	£	£
Mainland Hospital (first phase)	75,000	100,000	175,000
Maternity Hospital (first phase)	—	75,000	75,000
Chest Clinic	10,000	2,000	12,000
Creek Hospital: Sisters' Quarters ..	10,000	8,000	18,000
Clinics and Dispensaries: Buildings ..	18,000	40,000	58,000
Clinics and Dispensaries: Equipment ..	14,700	—	14,700
School of Medical Laboratory Technology: Buildings	—	10,000	10,000
School of Medical Laboratory Technology: Equipment	7,500	—	7,500
School of Dental Hygiene: Buildings ..	4,150	—	4,150
School of Dental Hygiene: Equipment	10,000	—	10,000
Vaccine Production: Buildings	11,500	20,000	31,500
Vaccine Production: Equipment.. ..	24,500	—	24,500
Blood Transfusion Service: Buildings ..	—	63,000	63,000
Blood Transfusion Service: Equipment..	—	3,100	3,100
Lagos Ambulance Service: Buildings ..	—	21,000	21,000
Lagos Ambulance Service: Equipment	—	10,000	10,000
Improvements to Creek and General Hospitals	20,000	7,500	27,500
Total .. £	205,350	359,600	564,950

Meteorology

92. The tempo of development has so far been rather slower than had been hoped, the principal reasons for this being a continuing shortage of staff and delays in the supply of technical equipment and buildings. The position has, however, improved recently and good progress may confidently be expected during the coming year.

93. Work has now started upon an extension to the Lagos Headquarters Building which will provide badly needed additional laboratory, workshop, stores and library accommodation and considerably amplify the technical capacity of the Service. Two junior service quarters are under construction at Gusau.

94. The provision of improved wireless facilities at Kano and Ikeja for the international exchange of meteorological information is proceeding and a start has been made upon teleprinter circuits for communication between the principal meteorological stations within the territory. A facsimile receiver, for the reception of synoptic charts and analyses from meteorological centres abroad, will shortly be installed at Kano.

	£
Revised Estimated Expenditure to 31-3-57	13,150
Estimated Expenditure, 1957-58	27,500
Total Estimated Expenditure up to 31-3-58	40,650

Natural Resources Research

95. *Agriculture.*—It is hoped that laboratories for entomological work and for plant breeders will be started this year, and that funds included in the 1957-58 Estimates will permit more senior service houses to be built on Moor Plantation to accommodate the additional research staff provided for in the recurrent estimates.

96. The future of Moor Plantation has not been settled, but a small Committee has been examining proposals put forward by the Western Regional Government outlining the replacement costs of the existing facilities at Moor Plantation claimed by the Regional Government.

97. Work at the Badeggi Research Station has proceeded slowly during the past year, and three Senior Staff quarters are being constructed.

98. Research in 1957-58 will continue with the object of improving food crops, particularly cassava, yams and maize. At Badeggi, where an extensive building programme, assisted by a C.D. & W. Research allocation, is being carried out, attention will be given to the improvement of rice of both irrigated and upland varieties. The Plant Pathologists and Entomologists will continue their studies of control measures for insect pests and diseases of food crops. A new Plant Quarantine Station will be opened at Kano in addition to the one already operating at Ibadan.

99. *Fisheries.*—A White Paper outlining the Federal Government's proposals on the development of the Federal Fisheries Service will be presented to the Budget Meeting of the House of Representatives. It is proposed to expand the staff to enable research into the movements and habits of sea fish to be carried out concurrently with increased deep or shallow water fishing. Negotiations with the Secretary of State and the Northern Regional Government will be undertaken to enable the Federal Fisheries Service to acquire the existing West African Fisheries Research Institute buildings and facilities at Birnin Kebbi, Sokoto Province.

100. *Forestry.*—Work will continue during 1957-58 on existing silvi-cultural and botanical investigations in the forests. It is proposed to build a new herbarium at Ibadan to house the existing valuable and expanding herbarium. Semi-permanent buildings for forestry research have been constructed in the Northern and Western Regions and it is proposed to build new offices at Enugu, Benin and in the Northern Region, together with an extension to the existing office at Ibadan.

101. *Veterinary.*—At Vom the production of animal vaccines will continue during the year, and it is expected that more than five million doses will be produced for Nigeria and other

West African territories. The programme of training veterinary assistants and laboratory technicians will continue and the building programme for 1957-58 includes a considerable extension of the School's facilities and buildings.

102. Some Junior Staff Quarters and part of the isolation block should be completed by March 1957. Major works for commencement this year include extension of the isolation block, the construction of quarters for the students of the Veterinary School and the planning of an extension of the water supply for the station. As regards new equipment a freeze drying machine has been ordered and should be received during the year.

	£
Revised Estimated Expenditure to 31-3-57	7,370
Estimated Expenditure, 1957-58	207,880
Estimated Expenditure up to 31-3-58	215,250

Nigerian Coal Corporation

103. The output of coal to meet both internal needs and the Gold Coast Railway contract continues to increase, reaching the total of approximately 750,000 tons in 1955, and the record of 787,210 tons in 1956. This continued increase in demand emphasizes the need for vigorous prosecution of work on the new mine at Ekulu, if it is to be ready to meet the country's fuel needs in 1961 when the Obwetti mine will be exhausted. Two headings of the new mine had been driven 420 feet and 480 feet respectively by the end of 1956, and the power line to the site was completed in August. All works are proceeding according to schedule.

	£
Revised Estimated Expenditure on Government Account to 31-3-57 ..	100,000
Estimated Expenditure on Government Account, 1957-58	150,000
Estimated Expenditure up to 31-3-58	250,000

Police

104. During the year 1956-57 work has been concentrated upon the programme for improvements to quarters and offices which had been initiated before the Economic Programme was framed, and which is financed from the provision for uncompleted works from former programmes. This will continue during 1957-58, but in addition there will be some expenditure of Economic Programme funds both in continuing the programme of permanent construction, and to a small extent in providing equipment and semi-permanent quarters.

	£
Revised Estimated Expenditure to 31-3-57	188,130
Estimated Expenditure, 1957-58	374,000
Estimated Expenditure up to 31-3-58	562,130

Ports and Inland Waterways

Ports Authority Programme

105. *Improvement of Ports.*—About £½ million worth of plant (diesel locomotives, cranes, tractors, trailers, etc.) has been ordered, the bulk of which has already arrived and is in use mainly at Apapa but partly at Port Harcourt. Some £50,000 worth of permanent way materials has also been ordered and is beginning to come forward in Lagos and Port Harcourt. It is hoped to start re-laying in 1957-58. A scheme to enable night working of Lagos Harbour, entailing the conversion of all the buoys for night lighting, has been completed. This should help considerably to relieve congestion and speed up turn round in the port, which is now open to navigation throughout the twenty-four hours instead of only during the hours of daylight. It is hoped to carry out a similar conversion at Escravos in the coming financial year. A variety of minor works including the completion of a new water boat berth in Lagos Harbour, and the reconstruction of one of the Apapa slipways to take 600-ton vessels, have been completed. These projects should all appreciably improve the speed and efficiency of port operations.

106. Work has also started on the reclamation of the areas north and south of Customs Wharf (*see* below). Re-organisation of the Wharf layout will need to be carefully planned and phased in order not to dislocate the working of the Wharf, and plans have not yet been completed, but the security wall should be finished in the coming financial year.

107. *Craft Replacement.*—A number of craft on order before Vesting Day have been delivered and put into service. A new dredger is on order and designs for a new buoyage vessel are nearing completion. It is hoped to place an order for the latter in 1957-58.

108. *Housing.*—Two contracts for housing totalling about £100,000, and covering about half the Authority's present housing programme, have been let. It is intended that a further stage of this programme should be undertaken in 1957-58.

109. *Finance.*—In Order to meet the increased cost of Port Harcourt Wharf Extension (*see* below) £425,000 is to be re-allocated from the £2,638,000 loan programme for the Authority. The final cost of Apapa Wharf Extension has risen largely owing to increased labour and material costs and the greatly increased length of time occupied in construction, and partly owing to variations in the original contract included on the advice of the Ports Authority and consultants. To meet these, £200,000 is required from the Ports Authority loan allocation, and a further £130,000 from the margin for increased costs.

110. It is considered that these reductions in the amount hypothecated for loans to the Ports Authority will not seriously affect its programme of development, as it now seems clear that the Authority will be able to find more from its own resources than was thought possible when the Economic Programme was prepared.

Government Programme

111. *Extension of Port Harcourt Wharf.*—The main contract for the Port Harcourt Wharf Extension was placed, together with two subsidiary contracts for cranes and housing, in December 1956. The Resident Engineer and part of his staff arrived in Port Harcourt in January and preparations for construction are well in hand. The total cost of this work which should be completed during 1960, is now estimated at approximately £4 million, as compared with the preliminary estimate of £3.25 million. Part of this excess arises from increasing costs and £325,000 is therefore being utilized from the margin for increased cost; the remainder, £425,000, is to be met from within the sum of £2,638,000 originally hypothecated for loans to the Nigerian Ports Authority.

112. *Escravos Bar.*—The project for providing deep water access to the Western Delta ports through the Escravos Estuary has been considerably advanced during 1956-57. An experimental model, covering some three-quarters of an acre, was set up in June, by the Waterloopkundig Laboratorium at Delft. The experimental work is now approaching completion and a technical report may be expected in the middle of this year if the results are satisfactory. The Federal Government should, accordingly, be in a position to place a contract for the necessary training works at Escravos in the course of 1957-58, provided that capital funds can be released during the year.

113. *Improvement of Ports.*—The reclamation of the lagoon at the north and south end of Customs Wharf in Lagos was started in January 1957. Once this reclamation work is completed, it will be possible to provide proper security for the warehouses on the wharf and also to re-organise the traffic arrangements for the clearance of merchandise.

114. The engineering designs for improving the Government port facilities at Sapele and Warri are well advanced. These improvements will include the provision of two lighter berths at Sapele and one berth at Warri, together with better accommodation in the existing Customs areas.

115. The preliminaries for dredging the Sheba Bank have been completed and it is hoped that the work will be started in June 1957, subject to the necessary plant being built in time.

116. *Reclamation Vessel.*—As stated in Sessional Paper No. 2 of 1956, the primary function of this "vessel" will be to combat erosion at Victoria Beach. The engineering consultants have advised the construction of a land-based reclamation plant in the neighbourhood of Victoria Beach which will pump material into the area where erosion is taking place. Designs for this plant are now well advanced.

117. *N.E.D.E.C.O. Investigation.*—The Netherlands Engineering Consultants have completed two river seasons of their investigation of the means of improving navigability on the Niger and Benue rivers. Work is proceeding smoothly and the closest co-operation has been established with the French Hydraulic Engineers engaged on a similar investigation of the Upper Benue near Garoua. The consultants will submit their final recommendations towards the end of 1958, when the programme of studies will be completed. This investigation was begun before the Economic Programme was framed, and, the necessary funds for its completion having previously been hypothecated, it is financed outside the Programme.

SUMMARY

	Revised Estimated Expenditure to 31-3-57	*Estimated Expenditure, 1957-58*	*Estimated Expenditure up to 31-3-58*
	£	£	£
Loans to Ports Authority	650,000	900,000	1,550,000
Extension of Port Harcourt Wharf ..	250,000	900,000	1,150,000
Escravos Bar; planning	25,000	10,000	35,000
Improvement of Ports	157,000	109,000	266,000
Reclamation Vessel	3,000	147,000	150,000
	£ 1,085,000	2,066,000	3,151,000

POSTS AND TELEGRAPHS

118. *General.*—Planning of all major projects under the Economic Programme scheduled to begin during the forthcoming financial year is proceeding, and progress is satisfactory. Early in May 1956, a Bulk Supply Agreement between the Federal Government of Nigeria and a group of British manufacturers of telephone equipment was signed to ensure the supply of all telecommunications equipment required for the Department's 1956-60 development plan. The agreement covers the supply of telephone exchange equipment, transmission equipment and cables and wire at British Post Office prices subject to the scrutiny by the British Post Office. The cost of packing and tropicalisation is, of course, an extra charge. By October 1956, a plan had been drawn up for covering the whole of Nigeria and the Cameroons with a system of telephone and telegraph communications at a cost within the funds available. This plan was subsequently approved by the Posts and Telegraphs Advisory Council which noted that a correct balance had been struck between urban and rural development. By November 1956, planning had already reached a more detailed stage and it was then possible to give manufacturers an approximate estimate of quantities of materials and equipment which would be required, thus permitting production to be planned and in certain cases to begin.

119. The present position regarding the ordering of stores and equipment for the plan is outlined in the following paragraphs.

120. *Telephone Exchange Equipment.*—A tremendous amount of work has been necessary to ensure that automatic exchange and switching equipment design is best suited to Nigerian conditions and is capable of development in the future to ensure that Nigeria's telephone system always remains abreast of up-to-date practice. This work is nearing completion and it will therefore be possible to prepare specifications for all automatic exchanges by April-May 1957, when firm orders for equipment will be placed. Orders for the majority of manual exchange equipment have been placed and the remainder will be ordered shortly.

121. *Transmission (Trunk Line) Equipment.*—Specifications have been drawn up for the various types of carrier telephony systems which will be used on existing and projected overhead line and V.H.F. radio systems. Orders for the equipment have been held back pending co-ordination with the automatic switching system to be adopted. Now that this has been achieved orders for all transmission equipment will be placed in the very near future.

122. *Overhead and Underground Wire and Cable.*—Specifications for the two major cable schemes for Apapa and Ibadan have been prepared, the latter scheme representing a considerable proportion of the total effort in this particular branch of work. The contract for the Apapa scheme has been let and cable and equipment is under manufacture; actual work in the field will begin in April of this year. The contract for the Ibadan scheme will shortly be allotted and it is expected that work will start by July or August. The Benin scheme has started and tenders have been called for in connection with the Warri project.

Cable schemes are at present planned for the 12 major exchange centres and are already nearly 50 per cent complete. It is expected that work on all these schemes will have started before mid-1958 and that they will be completed well before 1960. Work on some 120 smaller exchange cable schemes will be started by local effort early in 1958 and again no difficulty is envisaged in completing the work to schedule.

Designs for new overhead trunk routes are at a stage when orders for all materials can be placed; some of them have already been placed and indents for the remainder will shortly be issued. Plans for using local wooden poles for overhead construction at greatly reduced costs are going ahead in spite of many setbacks. The Department has therefore, ordered its own creosoting plant which should be in operation during 1958.

123. *Radio Equipment.*—The planning of the Cameroons and Central Plateau V.H.F. schemes to connect these areas with Nigeria's telephone, trunk and telegraph system is well on the way to completion and orders for the necessary equipment will shortly be placed. A technical survey of the proposed Lagos-Ibadan ultra high-frequency link has been in progress for the past six months and the Crown Agents have now been asked to invite all manufacturers of this equipment to tender for a system specified to carry up to 600 telephone circuits any of which must be capable of carrying 24 telegraph channels. It is expected that the main V.H.F. system at present under construction (Lagos-Ibadan-Enugu-Kaduna-Ilorin-Ibadan) will near completion by the end of this year. The system is already working to Enugu and is being maintained under contract by the Marconi Telegraph Company. This maintenance contract is now operating efficiently, and provides for the training of Africans who will eventually take over the maintenance work; training is proceeding satisfactorily.

124. *Buildings.*—The total amount committed under the Economic Programme on Posts and Telegraphs buildings for the period 1955-58 is £4,097,060; a break-down of this figure appears in the summary. Sixteen post offices have been completed during the 1956-57 financial year and construction of a further nine offices started during the same period. A new type of counter which will be both attractive in appearance and will make less demand on space than the kind at present in use is in production in the Department's Workshops and will be provided in new Post Offices this year. The 1957-58 Post Offices' Construction Programme includes provision for grants to Local Authorities to help them in themselves providing buildings for post offices. It is estimated that this will save £15,000 of Capital Expenditure on post office buildings in 1957-58.

Other major projects completed in 1956-57 include :

Posts and Telegraphs Stores, Apapa.
Temporary Offices for Headquarters staff, Lagos.
Radio Receiving Station, Ikoyi.
Radio Transmitting Station, Ikoyi.
Posts and Telegraphs Workshops, Iddo.
V.H.F. Radio Terminal Building, Enugu.
Telephone Exchange, Katsina.
Benin Post Office, V.H.F. Extension.

Work began on the following major projects during 1956-57 :

Extension to Posts and Telegraphs Headquarters with Ministerial Block.
Offices and Training School, Ibadan.
Regional Stores, Kaduna.
Extension to Training School, Oshodi.
V.H.F. Terminal, Kaduna.
Seventeen Quarters for Marconi V.H.F. Maintenance Staff.

125. *Postal Equipment.*—A sum of £153,400 is committed for new Postal Services equip ment. Included in this sum is £12,000 for Auster aircraft which are intended to be used i the Northern Region for improving mail distribution.

126. *Staff.*—Arrangements have been made for the 12 major automatic telephon exchanges with their underground development schemes to be installed by the manufacture The remainder of the work will be carried out by the Department's staff. For this purpo the country has been divided into 10 development areas. Teams capable of dealing with a aspects of telecommunications work are being built up to carry out the work in each are The areas have been drawn up to divide the work evenly, and provided it proves possible t recruit the necessary specialist staff, there should be no difficulty in completing the work i each area to schedule. Complete specifications for the work to be done in each area are nearin completion and it should soon be possible to send teams to their areas, even if partially staffe to carry out detailed surveys and to arrange for the reception of stores, etc., and so enab actual installation in the field to start by early 1958. Every opportunity will be taken t provide enhanced experience for African staff during this period of development.

127. The approximate expenditure on telecommunication buildings and equipmen during the period 1956-58 is shown below :

Buildings	*Revised Estimated Expenditure to* 31-3-57	*Estimated Expenditure,* 1957-58	*Estimated Expenditure up to* 31-3-58
	£	£	£
Office and Stores Accommodation	225,450	342,430	567,880
Extension to P & T. H.Q. ..	20,000	160,000	180,000
Lagos G.P.O.	2,130	104,370	106,500
Post Offices and Ancillary Buildings	136,710	445,550	582,260
Other Buildings (Exchanges, Workshops, Training Schools, etc.)	307,590	1,121,350	1,428,940
Minor Works	19,950	20,500	40,450
Purchase of Sites	—	125,000	125,000
£	711,830	2,319,200	3,031,030

Engineering			
Telephone Exchange Equipment	84,600	112,000	196,600
Telephone Subscribers; installations and external distribution	431,250	1,057,000	1,488,250
Telegraph and Telephone Trunk and Junction Routes; development and reconstruction ..	126,680	614,920	741,600
Telegraph and Telephone Radio Trunk and Junction Routes; development and reconstruction	603,240	459,410	1,062,650
Radio Telegraph Systems ..	69,890	40,860	110,750
Telegraph Offices and Equipment	61,450	80,690	142,140
Technical Assistance	20,000	45,000	65,000
Maintenance, Construction and Workshop Equipment	21,090	36,760	57,850
Testing, Measuring and Recording Equipment	11,190	8,310	19,500
Electrical Power Supplies; equipment and lines	12,900	22,100	35,000
Total, Engineering £	1,442,290	2,477,050	3,919,340
Miscellaneous Equipment ..	139,170	234,490	373,660
Sub Post Offices; Construction grants, etc.	—	7,000	7,000
Completed Projects, etc.	193,810	10	193,820
Total .. .. .. £	2,487,100	5,037,750	7,524,850

PRISONS

128. The construction and furnishing of temporary buildings will be completed by the end of the financial year 1957-58. Construction at Ilesha has begun but work at Ijebu-Ode has been delayed due to difficulty in obtaining possession of the site. It is proposed that £125,000 should be spent in the financial year 1957-58 on new construction as detailed below:

(*i*) First Offenders' Prison, Ijero-Mosaba Area;

(*ii*) Borstal Institution, Mokwa;

(*iii*) Warders, Quarters, Kaduna, Calabar and Onitsha;

(*iv*) Cell Blocks, Warri and Kaduna;

(*v*) Purchase of Buea Farms from the Cameroons Development Corporation.

It is proposed to spend the balance of the allocation at a later date, as executive capacity allows, on the replacement of all mud and thatched warders' houses and prison buildings throughout the country, by semi-permanent buildings.

	£
Revised Estimated Expenditure to 31-3-57	64,680
Estimated Expenditure, 1957-58	188,500
Estimated Expenditure up to 31-3-58	253,180

129. *New Construction :*

Victoria-Mamfe-Bamenda Road.—The road has now been tarred from Victoria to Kumba and work will continue north of Kumba through the forthcoming year. Temporary bridges between Mamfe and Bamenda are being replaced with permanent structures. In order to accelerate progress a firm of consulting civil engineers is being employed to prepare contract documents for reconstructing and resurfacing the 50 mile section between a point some 20 miles north of Kumba and Kagbe.

Uba-Bama Road.—25 miles of road have been constructed from Uba towards Bama, and work will continue during 1957-58.

Maiduguri-Bama Road.—Consulting engineers have completed the survey of this road and are now preparing contract documents so that tenders may be sought during 1957-58.

Gombe-Kumo Road.—Work will begin during the present dry season.

Sokoto-Illela Road.—This road runs through swampy terrain and a start has been made on drainage works and embankments designed where necessary to raise the road level at least 12 feet above the surrounding ground.

Bama-Dar-al-Jimail Road.—An aerial survey has been carried out to find the most suitable route for this international road link which runs through particularly difficult country; discussions as to the most appropriate line have taken place with the French authorities.

Takum-Bissaula-Kamine Road.—16 miles have been constructed from Takum and 10 from Kamine. Work will continue from Kamine during 1957-58.

Jega-Yelwa-Kontagora Road.—Strengthening works and raising of the road level have been carried out as preliminaries to complete reconstruction, which will begin during 1957.

Yola-Bamenda Road.—Work has been concentrated on the Jimtari-Serti section in order to provide a link with the Regional road running eastward from Beli.

Lagos-Apapa Approach Roads.—The Iddo Overbridge is under construction by contract and is expected to be completed this year.

A contract has also been let for the causeway over Ebute Metta Creek and for the road from this causeway to the existing Apapa Road near Iganmu. Consulting engineers are preparing contract documents for Western Avenue, the land for which has now been acquired. It has become clear from detailed work carried out during 1956 that the cost of the overbridge, causeway, and Western Avenue will be considerably greater than was originally anticipated; £175,000 has been allocated from the margin for increased costs, bringing the total available up to £1,925,000, but it has been decided to defer work on Denton Causeway until after 1960.

130. *Bituminous Surfacing and Widening.*—200 miles of bituminous surfacing have so far been completed, exclusive of work on the Victoria-Bamenda road. In 1957-58 considerably greater progress will be achieved because a number of large contracts have recently been allocated.

131. *Bridge Strengthening.*—A major contract has recently been awarded for strengthening 110 bridges, including the Lafenwa Bridge near Abeokuta, on the A1 and A9 roads between Lagos and Mando (in Zaria Province); a further contract has been let for 44 bridges between Gusau and Sokoto. Work is in progress on individual bridges in various parts of the country, some in conjunction with the road construction projects mentioned above. Contracts have been placed for the construction of a new bridge over the Kubani River at Zaria on the A1 road and for strengthening Carter Bridge.

132. *Carry Over from Highways Capital Account :*

Zaria-Kano Road.—45 miles of new road have been completed and work will continue from the Kano end during 1957-58, including the construction of 2 major bridges.

Ijebu-Ode-Benin Road.—It is hoped that this important new road will be open for traffic over its whole length in the latter part of 1957.

Calabar-Mamfe Road.—This road also will be completed during 1957.

Yola-Wukari (Takum) Road.—The project is three-quarters complete and work is in progress on a bridge 1,200 feet in length over the Taraba River.

Kano-Maiduguri Road.—209 miles have now been tarred out of the total length of 373 miles and work will continue during 1957-58.

133. *Road Equipment.*—Deliveries of bulldozers, graders, tractors, etc., are now coming forward satisfactorily.

134. *Additional Projects.*—Since the Economic Programme was framed the International Co-operation Administration has agreed to meet the whole cost of the bituminous surfacing of the Bauchi-Kari and Ikom-Mamfe roads at a total cost of £260,300. Work has now begun on both projects.

SUMMARY

	Revised Estimated Expenditure to 31-3-57	*Estimated Expenditure 1957-58*	*Estimated Expenditure up to 31-3-58*
	£	£	£
New Construction	813,500	1,721,280	2,534,780
Bituminous Surfacing and Widening	485,790	1,150,000	1,635,790
Bridge Strengthening	439,570	850,000	1,289,570
Carry over from Highways Capital Account	272,000	342,000	614,000
Kano-Maiduguri Road	200,000	300,000	500,000
Ferries	37,290	37,710	75,000
Road Equipment	455,600	244,400	700,000
Consultants' Fees	16,020	20,000	36,020
£	2,719,770	4,665,390	7,385,160

Details of all the above projects will be found under Head 602 of the Capital Expenditure Estimates, Highways and Bridges, Part I, except for the additional projects which will be found under Part III as they are being financed outside the Economic Programme.

OTHER PUBLIC WORKS

135. *Lagos Water Supply.*—The foundations for two elevated steel tanks, each of one million gallon capacity are now being constructed at Onikan and Western Avenue; additional pumps are on order for Iju Waterworks and various improvements to the main water system are in progress.

136. *Office Accommodation.*—Tenders will shortly be sought for a new block at Moloney Street. Plans are in preparation for the new office for the Lagos Works Organisation.

137. *Lagos Sewerage Scheme Investigation.*—The report of Consulting Civil Engineers on this scheme has now been received.

138. *Works under £25,000.*—A total of £3 million was set aside in the Economic Programme for works costing under £25,000. This allocation is meeting the cost of housing for staff on the establishment before 1st April, 1956, and, for convenience, provision for housing for staff required for the Economic Programme is transferred from the departmental allocations to this allocation.

SUMMARY

	Revised Estimated Expenditure to 31-3-57	*Estimated Expenditure 1957-58*	*Estimated Expenditure up to 31-3-58*
	£	£	£
Lagos Water Supply	50,000	200,000	250,000
Office Accommodation	30,000	210,000	240,000
Lagos Sewerage Scheme Investigation	5,450	14,550	20,000
Works Under £25,000	927,730	2,320,300	3,248,030
Plant and Equipment	40,000	415,000	455,000
£	1,053,180	3,159,850	4,213,030

RAILWAY

139. The following major projects were in progress in 1956-57 or will be started in 1957-58 :

Track Improvements.—The relaying of 55 miles of the Kafanchan-Jos branch has now been completed, including very extensive realignment involving heavy earth works and culverting. The Port Harcourt-Enugu relaying has begun and 30 miles will be completed by the end of March, 1957 ; the remainder of the work will be prosecuted with vigour during the forthcoming year, with the aid of additional staff and plant which have recently been acquired. Advance planning for the relay of the Lagos-Ibadan section has now begun.

Station Improvements.—Remodelling, including resignalling, of three major stations (Jos, Ibadan, Makurdi) has been completed and work is nearing completion at Offa, Minna, Zaria, Kano and Enugu. Out of a total of 22 new crossing stations 18 are either completed or in hand, which represents a considerable acceleration of the original railway five-year plan under which it was estimated that this programme would not be complete until 1960.

Rolling Stock.—173 wagons of different kinds and 105 coaching vehicles have been received since October 1955. A further 788 wagons and 89 coaching vehicles are on indent. The total cost of these rolling stock additions and replacements is estimated at over £4½ million .

Training.—The Corporation has substantially extended the use of wireless communication, and to operate this new system a Training School to accommodate 20 pupils has been opened at Ebute Metta. A Consulting Architect has been engaged to prepare a plan for the proposed Central Training College at Zaria for advanced technical courses comparable to those available in the United Kingdom. These projects are, of course, additonal to the existing extensive training organisation.

140. In addition to the above, the Corporation has in hand extensive improvements to workshops, plant machinery, signals and communications, running sheds and power stations. The whole of this capital programme is being financed from the Corporation's own resources.

141. *Bornu Railway Extension.*—The final line for this extension to Maiduguri has been selected. It runs from a point near Kuru on the Plateau, to Bauchi, Gombe and Maiduguri ; it has been photographed from the air and the ground control survey party has completed its work from Kuru to a point east of Gombe. On the basis of the map so produced, the Consulting Engineers have so far staked out the centre line for some 30 miles and work will continue through 1957.

Social Welfare

142. Plans for the Approved School for Girls and for grouping the juvenile delinquency services in one centre in Lagos are in course of preparation.

	£
Revised Estimated Expenditure to 31-3-57	Nil
Estimated Expenditure, 1957-58	52,000
Estimated Expenditure up to 31-3-58	52,000

State Bank

143. An adviser to the Bank of England is to visit Nigeria shortly to study and report on the detailed requirements for the establishment of a Central Bank. The question of introducing a Nigerian currency will be examined at the same time.

Survey

144. *Framework Surveys.*—Precise levelling for the NEDECO investigation of the Niger-Benue has been completed over the stretch from Awka to Garoua, with other lines from Nsukka to Idah and from Idah to Lokoja. Some 1,400 miles of work have been completed. A party of two surveyors of the Colonial Survey Directorate started reconnaissance for a chain of new primary triangulation in the Southern Cameroons in September last.

145. *Aerial Photography.*—Aerial photography with the chartered Survey aircraft has continued and about 9,000 square miles have been covered so far during the financial year 1956-57. Exceptionally unfavourable photographic weather during the year, sickness, camera failures and the grounding of the aircraft on two occasions for structural modifications have delayed the programme. A contract was given by the Directorate of Colonial Surveys to the Aircraft Operating Company (Aerial Surveys) Ltd. for the photography of about 15,000 square miles in the vicinity of Jos and of a further 18,000 square miles in the Southern Cameroons. Nearly 13,000 square miles of the former was completed, but none at all of the latter, owing to persistent cloud or haze.

146. *Map Making.*—Expansion of the processing and printing facilities awaits the construction of the new wing to the Federal Survey Headquarters in Lagos. Tenders for this have been invited and it is hoped that work will start early in the next financial year.

147. *Topographical Surveys.*—Equipment has been ordered and some of it has arrived. One qualified surveyor has started surveys for the control of air survey of part of the Western Region and will be joined by others as soon as the most urgent part of the precise levelling is completed.

148. *Survey Training School.*—A site has been chosen near Abeokuta, but there is no staff available as yet for this project. In addition, the disappointing results obtained with students recruited in and near Lagos and sent straight to the Survey Training School at Oyo make it necessary to give all students at least one year in the field to test their aptitude before giving them technical training.

	£
Revised Estimated Expenditure to 31-3-57	53,530
Estimated Expenditure 1957-58	69,000
Estimated Expenditure up to 31-3-58	£122,530

APPENDIX 1

I.—CAPITAL EXPENDITURE—GOVERNMENT ACCOUNT

Sl.	Project	Economic Programme Allocation	Total Committed	Estimated Expenditure up to 31-3-58
(1)	(2)	(3)	(4)	(5)
		£	£	£
1.	Broadcasting	400,000	400,000	328,000
2.	Building Research Institute	80,000	80,000	35,000
3.	Central Records Office	46,000	46,000	46,000
4.	Civil Aviation	1,400,000	1,399,500	631,500
5.	Customs and Excise	120,000	120,000	84,000
6.	Defence	2,781,000	2,634,200	1,676,200
7.	Education—General	1,761,000	1,761,000	1,217,880
8.	Education—Higher	1,401,000	1,401,000	859,000
9.	Geological Survey and Mining	42,000	43,000	43,000
10.	Government Press	350,000	350,000	110,000
11.	Hotel Accomodation	40,000	40,000	40,000
12.	Industry	755,000	755,000	713,000
13.	Lagos Town Planning	2,380,000	2,380,000	1,745,000
14.	Medical and Health	2,558,000	637,750	564,950
15.	Meteorology	76,000	76,000	40,650
16.	Natural Resources Research	1,044,000	267,730	215,250
17.	Police	850,000	627,130	562,130
18.	Ports and Inland Waterways	10,977,000	4,501,000	1,601,000
19.	Posts and Telegraphs	12,490,500	10,483,900	7,524,850
20.	Prisons	509,500	309,500	253,180
21.	Public Works			
	(i) Highways and Bridges	13,955,000	12,305,000	7,385,160
	(ii) Other Public Works	7,204,500	4,973,030	4,213,030
22.	Social Welfare	52,000	52,000	52,000
23.	State Bank	350,000	—	—
24.	Survey	233,300	207,300	122,530
	Total £	62,855,800	46,250,040	30,063,310

II.—CAPITAL EXPENDITURE—LOANS

Sl.	Project	Economic Programme Allocation	Total Committed	Estimated Expenditure up to 31-3-58
(1)	(2)	(3)	(4)	(5)
		£	£	£
1.	Building Society	500,000	500,000	210,000
2.	Cameroons Development Corporation	1,000,000	1,000,000	258,000
3.	Electricity Corporation, Nigeria	7,170,000	7,170,000	3,000,000
4.	Industry	500,000	500,000	200,000
5.	Lagos Town Planning	1,980,000	1,930,000	1,030,000
6.	Nigerian Coal Corporation	400,000	400,000	250,000
7.	Nigerian Ports Authority	2,000,000	2,000,000	1,550,000
8.	Nigerian Railway Corporation	10,020,000	—	—
9.	West African Airways Corporation	280,000	—	—
	Total £	23,850,000	13,500,000	6,498,000

SUMMARY OF CAPITAL EXPENDITURE

	Economic Programme Allocation	*Total Committed*	*Estimated Expenditure up to 31-3-58*
	£	£	£
I. Capital Expenditure : Government Account	62,855,800	46,250,040	30,063,310
II. Capital Expenditure : Loans ..	23,850,000	13,500,000	6,498,000
III. Margin for Increased Cost ..	6,205,200	2,350,090	1,222,250
Total .. £	92,911,000	62,100,130	37,783,560

NOTES

(*i*) The Economic Programme allocations above differ in some cases from those in Sessional Paper No. 2 of 1956 because

(*a*) there have been reallocations from various sections to Other Public Works for housing,

(*b*) allocations from the margin for increased cost have been added to Economic Programme allocations.

Full details of these changes will be found in Appendix C to the Estimates 1957-58.

(*ii*) There have been reallocations as between Loans to the Nigerian Ports Authority and provision for the Ports and Inland Waterways (Government Account). For details *see* under "Major Changes in the Economic Programme".

(*iii*) £750,000 has been added to the allocation for Other Public Works for Agency Fees, formerly charged against the Recurrent Estimates.

APPENDIX II

STATEMENT OF THE DEVELOPMENT FUND, 1956-57

	£		£
Receipts as at 1st April, 1956 :—		Adjustments as at 31st March, 1956 :—	
General Revenue Balance at 31st March, 1956 (after deduction of Working Capital)	30,187,112	Outstanding Advances under Appendix I, Parts I and II ..	21,676,044
Balance of the Loan Development Fund at 31st March, 1956 ..	6,886,191	Outstanding Advances under Appendix H (Posts and Telegraphs)	856,654
Balance of the Highways Capital Account at 31st March, 1956 ..	788,276	Outstanding Advances under Appendix Q (Dev. W.P.) ..	229,865
Balance of the Public Works Department Renewals Funds (Ijora) at 31st March, 1956	84,755	Outstanding Advances under Appendix R (Housing)	50,000
Transfer from unexpended balance of the Marine Renewals Fund ..	1,900,000	Revised Estimated Expenditure, 1956-57 :—	
Loans from Regional Marketing Boards (instalment)	2,000,000	Head 601—Loans	2,158,000
Transfer from Revenue Equalisation Fund	4,817,750	Head 602—Highways and Bridges	2,788,590
Revised Estimated Receipts 1956-57 :—		Head 603—Public Works Extraordinary	3,235,770
Loans from Regional Marketing Boards (final instalment) ..	9,300,000	Head 604—Capital : Posts and Telegraphs	1,759,480
Contributions from Recurrent Budget	6,569,000	Head 605—Other Capital Expenditure	6,520,000
Colonial Development and Welfare Fund	500,000	Estimated Balance at 31st March, 1957	23,758,681
	£63,033,084		£63,033,084

APPENDIX III

STATEMENT OF THE DEVELOPMENT FUND, 1957-58

	£		£
Estimated Balance at 1st April, 1957 ..	23,758,681	Estimated Expenditure, 1957-58 :—	
Estimated Receipts, 1957-58 :—		Head 601—Loans	4,880,000
Contributions from Recurrent Budget	5,225,050	Head 602—Highways and Bridges	5,446,990
Colonial Development and Welfare Fund	1,120,000	Head 603—Public Works Extraordinary	7,058,170
I.C.A. Grants	130,000	Head 604—Capital : Posts and Telegraphs	5,299,840
Other Grants in Aid	27,000	Head 605—Other Capital Expenditure	5,762,650
Contribution from General Revenue Balance in excess of £5m. ..	4,048,160	Estimated Balance at 31st March, 1958	7,911,241
Other Sources*	2,050,000		
	£36,358,891		£36,358,891

* Balance of the Nigerian Railway Pensions Renewal Fund and funds controlled by the Custodian of Enemy Property.

APPENDIX IV

ECONOMIC PROGRAMME ALLOCATIONS FOR RECURRENT EXPENDITURE

	Total Allocation	*Taken up*	*Balance*
	£	£	£
Broadcasting	232,000	232,000	—
Building Research Institute	15,000	15,000	—
Central Records Office	10,000	10,000	—
Customs and Excise	9,000	—	9,000
Civil Aviation	50,000	—	50,000
Defence	437,000	50,000	387,000
Education—General	300,000	180,000	120,000
Education—Higher	311,000	160,000	151,000
Geological Survey	6,000	6,000	—
Industry	25,000	10,000	15,000
Medical and Health	271,000	37,000	234,000
Meteorology	5,000	5,000	—
Natural Resources Research	312,000	73,000	239,000
Police	225,000	132,000	93,000
Posts and Telegraphs	1,501,000	1,301,000	200,000
Public Works	400,000	325,000	75,000
Social Welfare	5,000	5,000	—
State Bank	45,000	—	45,000
Survey	30,000	25,000	5,000
Total .. .. .. £	4,189,000	2,566,000	1,623,000